

ISSUE DATE: August 3, 1998

DOCKET NO. P-407,1633/PA-97-812

ORDER PERMITTING ASSIGNMENT OF AGREEMENT

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Edward A. Garvey
Joel Jacobs
Marshall Johnson
LeRoy Koppendrayer
Gregory Scott

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Joint Application of
Contel of Minnesota, Inc. d/b/a
GTE Minnesota and North American
InTeleCom, Inc. for Approval of Sale of
Payphone Business

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PROCEDURAL HISTORY

On May 30, 1997 Contel of Minnesota, Inc. d/b/a GTE Minnesota (GTE) and North American InTeleCom, Inc. (NAI) filed a joint petition for Commission approval of the sale of all GTE payphones to NAI. On March 6, 1998 the Commission issued an Order granting the petition, subject to GTE's retaining ultimate responsibility for compliance with Minnesota Rules 7810.5700, requiring local exchange carriers to provide at least one payphone in every exchange.

On May 22, 1998 NAI filed a request for permission to assign the agreement to an affiliate, TSC Payphone Corp.

On July 21, 1998 the matter came before the Commission.

FINDINGS AND CONCLUSIONS

There are three companies involved in this case -- the assignor, the assignee, and the parent company of both. The parent company (TSC Communications Corp.) has concluded that TSC Payphone Corp. (the assignee) could manage its payphone operations more effectively than NAI (the assignor). It has therefore initiated this assignment.

The Commission finds that the proposed assignment is consistent with the public interest. TSC Payphone Corp. holds a state-wide certificate of authority to provide payphone service. It appears to be in compliance with all applicable regulatory requirements. It is presumptively capable of providing pay telephone service to the public and of fulfilling its contractual obligation with GTE to maintain at least one working payphone in each of GTE's exchanges. The Commission will therefore permit the proposed assignment, subject to the terms and

conditions set forth in the original Order, including the condition that GTE retain ultimate responsibility for meeting the one-payphone-per exchange rule.

ORDER

1. The Commission hereby approves the assignment of the agreement at issue from North American InTeleCom, Inc. to TSC Payphone Corp., subject to the terms and conditions set forth in the March 6, 1998 Order in this docket approving the original agreement.
2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)

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